

Item #:	
Fiscal Impact:	\$200,613.28 (28,659.04/yr over the 7 year term of the lease)
Funding Source:	HP Purchase Agreement
Account #:	
Budget Opening Required:	

ISSUE:

A resolution authorizing the lease of replacement radio communication systems from Motorola for use by the Fire and Police Departments.

SYNOPSIS:

Replace a portion of the existing radio communications used by the Fire and Police Departments over the next seven years through the HP Master Lease Purchase Agreement which was approved in 2006 under Resolution No. 06-04.

BACKGROUND:

Formal bidding will not be required for this purchase because this vendor, Motorola, holds a contract with the State of Utah. The Fire and Police Departments have aging radio equipment valued at over \$2.5 million. Replacing all the equipment is not practical or economically feasible. Additionally, the equipment deteriorates at varying rates depending on the working conditions and users assigned. A seven year replacement schedule has been prepared with a portion of the equipment being replaced each year. This will allow the City to replace the equipment as it needs replacement and make the purchase more cost effective.

Working with the City's IT Division, the Police and Fire Departments have found that by financing through the current HP Lease Purchase Agreement previously approved on January 3, 2006 under Resolution No. 06-04, the departments will be able to purchase \$200,613.28 worth of radio equipment by financing it over a seven year period. The annual payment for the lease is \$28,659.04. The total cost of lease is \$200,613.28 over the seven year term.

RECOMMENDATION:

City Staff recommends approval of the Resolution.